

August 16, 2006

Office of State Budget
Attn: Karen Rhinehart
1201 Main Street, Suite 870
Columbia, SC 29201

Dear Ms. Rhinehart:

The Lieutenant Governor's Office on Aging is submitting ten copies of its FY2007-2008 Budget Request document as requested. Two electronic files are also being submitted containing our letter of transmittal, executive summary, detailed justifications, the addendum of cost savings and priority assessment; and one proviso change. The Lieutenant Governor's Office on Aging is not requesting any FTE's for FY2007-2008, nor any capital funds.

If you or one of the budget analysts have any questions or need further information, please contact Anthony Kester or Bruce E. Bondo at 734-9881 or 734-9870 respectively.

Sincerely,

Cornelia D. Gibbons

CDG/BEB/jer

Enclosures

FISCAL YEAR 2007-08 BUDGET PLAN

I. EXECUTIVE SUMMARY

- A. Agency Section/Code/Name: 57/E04/Lieutenant Governor's Office
- B. Statewide Mission: The mission of the Office of Lieutenant Governor, Office on Aging (LGOA) is to enhance the quality of life for older South Carolinians. The LGOA is the leader for advocating, planning and developing resources in partnership with individuals and communities to meet present and future needs of the elderly and their caregivers; and to promote education and training in the field of gerontology. The LGOA assures the effective and efficient management and distribution of federal Older Americans Act funding to provide local services.
- C. Summary Description of Strategic or Long-Term Goals:
 - (1) To improve the quality and length of healthy life for South Carolina's senior population.
 - (2) To improve protections for South Carolina's adults.
 - (3) To effectively and efficiently manage and distribute Older Americans Act and State resources to provide statutorily mandated services.

*See Section 1.3 of FY2005-2006 Agency Accountability Report

D.

Summary of Operating Budget Priorities for FY 2007-08:		FUNDING					FTEs			
		State Non-Recurring	State Recurring	Federal	Other	Total	State	Fed.	Other	Total
Priority No.: 1	Title: Home and Community Based Services	0	\$2,900,000	0	0	\$2,900,000	0	0	0	0.00
Strategic Goal No. Referenced in <u>Item C Above (if applicable): 1</u> Activity Number & Name: Home and Community Based Services										
Priority No.: 2	Title: Silver Haired Legislature	0	\$15,000	0	0	\$15,000	0	0	0	0.00
Strategic Goal No. Referenced in <u>Item C Above (if applicable): 2</u> Activity Number & Name: Silver Haired Legislature										
Priority No.:	Title:	0	0	0	0	\$ 0	0	0	0	0.00
Strategic Goal No. Referenced in <u>Item C Above (if applicable):</u> Activity Number & Name:										
TOTAL OF ALL PRIORITIES		\$ 0	\$2,915,000	\$ 0	\$ 0	\$2,915,000	0.00	0.00	0.00	0.00

E. Agency Recurring Base Appropriation:

State \$ 4,714,122
Federal\$ 23,807,607
Other \$ 4,330,000

- F. Efficiency Measures: Reduce the waiting list for assisting seniors to remain at home
 Provide on-going policy input to the Lt. Governor's Office on Aging on issues concerning South Carolina's seniors
 Meet annually in the State Capitol
 Provide resolutions and policy guidance to the Governor, the General Assembly and agencies on aging

G.

Summary of Capital Budget Priorities:			Additional State Funds	Previously Authorized State Funds	Total Other Fund Sources	Project Total
Priority No.:	<u>Project Name:</u> Activity Number & Name:	Project No*:	0	0	0	\$ 0
Priority No.:	<u>Project Name:</u> Activity Number & Name:	Project No*:	0	0	0	\$ 0
Priority No.:	<u>Project Name:</u> Activity Number & Name:	Project No*:	0	0	0	\$ 0
TOTAL OF ALL CAPITAL BUDGET PRIORITIES			\$ 0	\$ 0	\$ 0	\$ 0

* If applicable

- H. Number of Proviso Changes: one

- I. Signature/Agency Contacts/Telephone Numbers: Contact Tony Kester at 734-9881 or Bruce Bondo at 734-9870, Lieutenant Governor's Office on Aging, 1301 Gervais Street, Columbia, SC 29201

II. DETAILED JUSTIFICATION FOR FY 2007-08 OPERATING BUDGET PRIORITIES

A. Agency Section/Code/Name: 57/E04/Lieutenant Governor's Office

B. Priority No. __1__ of __2__

C. (1) Title: Aid to Subdivisions

(2) Summary Description: The state has 651,482 persons 60 and older eligible for services provided with federal funding through the Older Americans Act. The Lieutenant Governor's Office on Aging (LGOA) is statutorily responsible for assuring delivery of these services at the local level. Older Americans Act funding currently serves only 30,544 seniors statewide, leaving many seniors without services. The January 2006 report shows 3,583 seniors on waiting lists for services including transportation, home delivered meals and home care services. South Carolina serves the second lowest percentage of eligible seniors in the Southeast. Based upon the 2004 NAPIS website, South Carolina serves 4.13% of all seniors 60 and older as compared to the Southeastern average of 9.54%. No additional federal funds are available under the Older Americans Act to serve these seniors. The FY 2006-2007 Appropriation provides \$2,900,000 in Supplemental funds for this purpose. The Lieutenant Governor's Office on Aging is requesting that these funds be appropriated on a recurring basis for FY 2007-2008 and in the future. The recurring state funds requested will be distributed on a formula basis by local Area Agencies on Aging to eligible service contractors to provide services to up to approximately 3,500 additional seniors.

(3) Strategic Goal/Action Plan (*if applicable*): Strategic Goal: To improve the quality and length of healthy life for South Carolina's senior population. To distribute funding through the ten Area Agencies on Aging to local service providers to deliver services to individuals on the local waiting lists who are at greatest risk as determined through a comprehensive client assessment. The Lieutenant Governor's Office on Aging has required that a statewide community assessment be completed in every county. Strategies employed will promote healthy lifestyles, reduce preventable injuries, illness and deaths; ensure availability of transportation to healthcare providers, and increase home and community-based care options. Funds will purchase access to meals, transportation and home care services to enable seniors and caregivers to maintain senior independence and avoid more costly institutional care in emergency rooms and hospital admissions, and long term care facilities.

D. Budget Program Number and Name: II Office on Aging B. Office on Aging Assistance.2 Aid to Subdivisions.

E. Agency Activity Number and Name: Regional Activity-Home and Community Based Services (New)

F. Detailed Justification for Funding

(1) Justification for Funding Increase:

- a) Recurring funding will help maintain approximately 3,500 seniors in their homes with home and community based services and will enhance the quality and length of life for older South Carolinians. The expected outcome and results will be that the waiting list of seniors will be reduced, and costly utilization of hospital based services and long term care services paid for by the state's Medicaid program may be reduced. It is estimated that a recurring state investment may save the state up to \$30,000,000 by maintaining seniors' health and helping them to remain in their homes. The LGOA will collaborate with the state's ten Area Agencies on Aging and local contractors to accomplish its mission and goals.
- b) Base funding for community based Services for seniors has not increased for the last ten years until receipt of the \$2,900,000 in Supplemental appropriations. Current funding has been inadequate to meet the current level of need. Recurring funding will maintain the new seniors served during FY 2006-2007, and help maintain them at home and thus avoid more costly Medicaid institutional based services.
- c) Provision of recurring funds will allow the local service providers to partially meet the needs of the growing senior population throughout South Carolina and reduce the waiting list for services. These funds will complement the home and community based services provided under the federal Older Americans Act and home and community based services funded from Bingo taxes. These funds will assist the LGOA to meet the growing need of our state's rapidly expanding senior population.
- d) This request is the first priority because it provides direct services to seniors to maintain them at home and avoid higher institutional cost services. The waiting list of individuals continues to grow annually with the on-going increase in the number of seniors in South Carolina. The population of persons 60 and older is projected to increase from 651,482 in 2000 to 864, 890 in 2010. The need to provide home and community based services will grow as well. Provision of services such as home delivered meals and group dining will enable seniors to maintain their health and avoid more costly institutional services funded by the states Medicaid program. An expenditure of approximately \$822 per senior may result in a savings up to \$37,000 per year.
- e) The federal Older Americans Act and Aid to Subdivisions are sources of funding. The Older Americans Act of 1965, as amended, and the SC Code of Laws, Section 43, authorizes the LGOA and requires the provision of home and community based services to the states' population of seniors aged 60 and above.
- f) Current resources are being used in a cost efficient manner to serve as many eligible seniors as can be served with currently available funding. Other sources of funds meet various state and federal requirements based upon their funding source. The \$2,900,000 funds are currently Supplemental funds and will not be recurring for FY 2007-2008. South Carolina's current waiting list of 3,583 seniors is conservative and will be updated at a later time. With the dramatic growth of South Carolina's senior population it is expected that many more seniors will face the need for expensive hospital and long term care services funded by Medicaid and Medicare in the future. Based upon recent Performance Outcomes Measurement Project grant studies, provision of home delivered meals, congregate meals, home care and physical fitness services show that when increased level of intensity of services are provided, utilization of emergency department and inpatient hospital admissions can be reduced. This has the potential to save the Medicaid and Medicare program significant funds. Home and community based services are less expensive than nursing home costs. The key home and community based services that help seniors remain in their homes cost an average of \$822 dollars per individual per year. In contrast, persons in Medicaid-paid nursing home beds cost taxpayers up to \$37,000 per year. Investing this \$2.9 million on a recurring basis can potentially save the state expenditures up to \$30 million in delayed or prevented nursing home and hospital costs over the next few years. South

Carolina spends almost \$500,000,000 per year for hospital and long term care for seniors 65+. If home and community based services could save .5% of this amount, taxpayers could save \$2,500,000 annually. The federal and other state governments have already moved more of their dollars into home and community based services. Failure to provide these funds on a recurring basis could result in up to 3,500 of South Carolina's seniors losing home and community based services which they will be receiving.

(2)

FY 2007-08 Cost Estimates:	State Non-Recurring Funds	State Recurring Funds	Federal	Other	Total
Personnel:					
(a) Number of FTEs*					0.00
(b) Personal Service					\$ 0
(c) Employer Contributions					\$ 0
Program/Case Services					\$ 0
Pass-Through Funds		\$2,900,000			\$2,900,000
Other Operating Expenses					\$ 0
Total	\$ 0	\$2,900,000	\$ 0	\$ 0	\$2,900,000
<i>* If new FTEs are needed, please complete Section G (Detailed Justification for FTEs) below.</i>					

(3) Base Appropriation:

State	\$ 4,714,122
Federal	\$ 23,807,607
Other	\$ 4,330,000

(4) Is this priority associated with a Capital Budget Priority? No If yes, state Capital Budget Priority Number and Project Name: _____.

G. Detailed Justification for FTEs

(1) Justification for New FTEs

(a) Justification:

(b) Future Impact on Operating Expenses or Facility Requirements:

(2) Position Details:

	State	Federal	Earmarked	Restricted	Total
Position Title:					
(a) Number of FTEs					0.00
(b) Personal Service					\$ 0
(c) Employer Contributions					\$ 0

	State	Federal	Earmarked	Restricted	Total
Position Title:					
(a) Number of FTEs					0.00
(b) Personal Service					\$ 0
(c) Employer Contributions					\$ 0

(3) FTEs in Program Area per FY 2006-07 Appropriation Act:

State 35.65
Federal 17.35
Other _____

Agency-wide Vacant FTEs as of July 31, 2006: 7

% Vacant 13 %

* The Lieutenant Governor's Office on Aging was appropriated seven new positions for FY 2006-2007, and is in the process of filling the positions as quickly as possible.

H. Other Comments: The Lieutenant Governor's Office on Aging has been appropriated \$2,900,000 in State Supplemental funds for FY 2006-2007. We believe that a recurring appropriation of the \$2,900,000 for home and community based services will enhance the lives of our state's frail seniors and help to reduce and avoid more costly institutional services in the future. Funds will be available for providing home and community based services after December 1, 1006. The Lieutenant Governor's Office on Aging is working with the states ten Area Agencies on Aging to develop an updated waiting list and plan for utilizing the above appropriation. We will be able to track the individuals served over the year and assess the economic impact of these home and community based services over a year's time. Based upon our work with the Advanced Performance Outcomes Measurement Project grants and the development of the South Carolina Seniors' Cube, initial results show that intensity of service (particularly nutrition services) has a statistically significant impact in reducing emergency department and inpatient hospital admissions of seniors. Multi-year studies of seniors receiving home and community based services will help us to address potential and actual cost savings.

Based upon the above, and the following profile of South Carolina's seniors currently being served by Older Americans Act and state funded home and community based services, we see the following picture for current recipients:

Of the 17,241 seniors using personal care, homemaker and home delivered meals, during FY 2005 we see the following:

- 10% are frail and have three or more problems with activities of daily living (bathing, dressing, eating, transfer, toilet use, and walking/mobility).
- 70% have incomes less than the federal poverty level.
- 50% live alone
- 60% live in rural areas
- 28% are 85 and older

II. DETAILED JUSTIFICATION FOR FY 2007-08 OPERATING BUDGET PRIORITIES

A. Agency Section/Code/Name: 57/E04/Lieutenant Governor's Office

B. Priority No. 2 of 2

D. (1) Title: Silver Haired Legislature

(2) Summary Description: The Silver Haired Legislature was created in 1999 (1976 S.C. Code of Law, Section 43-21-190) as a non-partisan body of seniors to provide advice and guidance to the Governor, the General Assembly, the Lieutenant Governor's Office on Aging, and various departments. It identifies issues, concerns and solutions for problems facing the aging in S.C. It conducts educational forums to explore aging issues, promote good government, act on a non-partisan basis, and hold sessions annually in the State Capitol.

(3) Strategic Goal/Action Plan (*if applicable*): To improve the quality and length of healthy life for South Carolina's senior population, and to improve protections for South Carolina's adults. The Silver Haired Legislature provides on-going policy input to the Lieutenant Governor's Office on Aging, the Governor and the General Assembly and other departments and offices on aging on issues concerning South Carolina's seniors. The body meets annually in the State Capitol, and provides resolutions and policy guidance.

D. Budget Program Number and Name: II A. Silver Haired Legislature

E. Agency Activity Number and Name: Silver Haired Legislature (New)

F. Detailed Justification for Funding

(1) Justification for Funding Increase:

- a) New funding is requested to support on-going operational costs for the Silver Haired Legislature. When the body was created in 1999 funding was not provided to meet the operating needs of the organization. The Lieutenant Governor's Office on Aging has provided small grants to assist the body holding sessions throughout the state, pay for printing and the cost of travel for annual meetings in the State Capitol. The Lieutenant Governor's Office on Aging requests an annual appropriation in recognition of the value of the guidance that the Silver Haired Legislature provides to the Governor, the General Assembly, and the Lieutenant Governor's Office on Aging. The policy guidance provided is invaluable to the State of South Carolina in identifying issues, problems and concerns in order that the Lieutenant Governor's Office on Aging may meet its mission and achieve its primary goals. Effectiveness of the body will be judged by the guidance provided through resolutions and policy guidance provided and through meeting annually at the State Capitol.

- c) This activity complements the policy input that the Lieutenant Governor's Office on Aging receives from the State mandated Aging Advisory Council and other advocacy organizations concerned with senior issues. The Silver Haired Legislature was created by the General Assembly to provide guidance on senior concerns and issues on a representative basis statewide.
- d) This request is ranked second due to the importance of providing stable annual funding for the body in order that seniors representing their portion of the state may take part in its activities by being able to travel to Columbia to attend annual meetings at the State Capitol, and the organization will be able to provide the necessary associated operational support to hold regional meetings, and provide on-going communications activities as required.
- e) Current funding was provided from internal one time funds from the Lieutenant Governor's Office on Aging. It is anticipated that an on-going appropriation of State funds would provide guaranteed stability for the Silver Legislature carrying out its state mandated function (1976 S.C. Code of Law, Section 43-21-190).
- f) Current internal funding was provided for FY 2006-2007. The Lieutenant Governor's Office on Aging does not anticipate that continued funding will be available in future years. An on-going appropriation of State funds recognizes the importance of this activity to provide guidance to state policymakers, the General Assembly and the Lt. Governor's Office on Aging as well as other agencies on aging.

(2)

FY 2007-08 Cost Estimates:	State Non-Recurring Funds	State Recurring Funds	Federal	Other	Total
Personnel:					
(a) Number of FTEs*					0.00
(b) Personal Service					\$ 0
(c) Employer Contributions					\$ 0
Program/Case Services					\$ 0
Pass-Through Funds		\$15,000			\$15,000
Other Operating Expenses					\$ 0
Total	\$ 0	\$15,000	\$ 0	\$ 0	\$15,000
<i>* If new FTEs are needed, please complete Section G (Detailed Justification for FTEs) below.</i>					

(3) Base Appropriation:

State	\$ 4,714,122
Federal	\$ 23,807,607
Other	\$ 4,330,000

(4) Is this priority associated with a Capital Budget Priority? No If yes, state Capital Budget Priority Number and Project Name: _____.

G. Detailed Justification for FTEs

(2) Justification for New FTEs

(a) Justification:

(b) Future Impact on Operating Expenses or Facility Requirements:

(2) Position Details:

	State	Federal	Earmarked	Restricted	Total
Position Title:					
(a) Number of FTEs					0.00
(b) Personal Service					\$ 0
(c) Employer Contributions					\$ 0

	State	Federal	Earmarked	Restricted	Total
Position Title:					
(a) Number of FTEs					0.00
(b) Personal Service					\$ 0
(c) Employer Contributions					\$ 0

(3) FTEs in Program Area per FY 2006-07 Appropriation Act:

State	35.65
Federal	17.35
Other	_____

Agency-wide Vacant FTEs as of July 31, 2006: 7

% Vacant 13%

* The Lieutenant Governor's Office on Aging was appropriated seven new positions for FY 2006-2007, and is in the process of filling the positions as quickly as possible.

H. Other Comments:

FY 2007-08 COST SAVINGS & ACTIVITY PRIORITY ADDENDUM

I. 2% COST SAVINGS ASSESSMENT

- A. Agency Section/Code/Name: 57/E04/Lieutenant Governor's Office
- B. Agency Activity Number and Name: Executive Operations of the Lieutenant Governor's Office (80)
- C. Explanation of Cost Savings Initiative: The Lieutenant Governor's Office will reduce other operating expenses by \$4,856 through delaying information technology replacements cycles in the office, increasing operating efficiencies and increasing the vacancy factor for the office through staff hiring delays.
- D. Estimate of Savings:

FY 2007-08 Cost Savings Estimates:	General	Federal	Other	Total
Personnel:				
(a) Number of FTEs				0.00
(b) Personal Service				\$ 0
(c) Employer Contributions				\$ 0
Program/Case Services				\$ 0
Pass-Through Funds				\$ 0
Other Operating Expenses	\$4,856			\$ 4,856
Total	\$4,856	\$ 0	\$ 0	\$ 4,856

- E. Activity Impact (*Describe the impact on the activity affected including the impact on customers and clients.*):

The impact of a \$4,856 state fund reduction will result in a reduction of staff ability and efficiency to oversee overall administration of its mandated programs and activities. The proposed initiatives are designed to minimize the impact the Lieutenant Governor's Office on customers and clients. However, it should be noted that the office is small and has considerable breadth of responsibility for serving South Carolina's growing population. In the event that this reduction is required, the Office will strive to maintain its current operating efficiency with least impact as possible.

FY 2007-08 COST SAVINGS & ACTIVITY PRIORITY ADDENDUM

I. 2% COST SAVINGS ASSESSMENT

- A. Agency Section/Code/Name: 57/E04/Lieutenant Governor's Office
- B. Agency Activity Number and Name: Administration (83)
- C. Explanation of Cost Savings Initiative: The Lieutenant Governor's Office on Aging will reduce other operating expenses by \$48,956 through delaying information technology replacements cycles in the office, restricting current operating expenditures such as travel to critical activities, and increasing the vacancy factor for the office through staff hiring delays.
- D. Estimate of Savings:

FY 2007-08 Cost Savings Estimates:	General	Federal	Other	Total
Personnel:				
(a) Number of FTEs				0.00
(b) Personal Service				\$ 0
(c) Employer Contributions				\$ 0
Program/Case Services				\$ 0
Pass-Through Funds				\$ 0
Other Operating Expenses	\$48,956			\$48,956
Total	\$48,956	\$ 0	\$ 0	\$48,956

E. Activity Impact (*Describe the impact on the activity affected including the impact on customers and clients.*): The impact of a \$48,956 state fund reduction will result in a reduction of staff ability and efficiency to oversee overall administration of its mandated programs and activities. The proposed initiatives are designed to minimize the impact the Lieutenant Governor's Office on Aging's customers and clients. However, it should be noted that the office is small and has considerable breadth of responsibility for serving South Carolina's growing senior population. In the event that this reduction is required, the Office will strive to maintain its current operating efficiency with least impact as possible.

FY 2007-08 COST SAVINGS & ACTIVITY PRIORITY ADDENDUM

I. 2% COST SAVINGS ASSESSMENT

- A. Agency Section/Code/Name: 57/E04/Lieutenant Governor's Office
- B. Agency Activity Number and Name: Regional Level Activity Flow Thru Funding Title III Part B Community Based Supportive Services (88)
- C. Explanation of Cost Savings Initiative: The Lieutenant Governor's Office on Aging will reduce pass through funds to the regional level activities for Title III Part B home and community based services. Funding for administration will be reduced on a proportional level to the state's ten Area Agencies on Aging. State funds will be used as match for available federal funds first prior to being used for planning and administration. The Area Agencies on Aging reduce expenditures for planning and administration by delaying information technology replacements in the office, review current operating expenditures such as travel to critical activities, and other cost savings measures as deemed necessary by the individual Area Agencies on Aging.
- D. Estimate of Savings:

FY 2007-08 Cost Savings Estimates:	General	Federal	Other	Total
Personnel:				
(a) Number of FTEs				0.00
(b) Personal Service				\$ 0
(c) Employer Contributions				\$ 0
Program/Case Services				\$ 0
Pass-Through Funds	\$40,470			\$40,470
Other Operating Expenses				\$ 0
Total	\$40,470	\$ 0	\$ 0	\$40,470

E. Activity Impact (*Describe the impact on the activity affected including the impact on customers and clients.*): The impact of a \$40,460 state fund reduction will result in a reduction of the Area Agency on Agings' staff ability and efficiency to oversee overall administration of its mandated programs and activities. The proposed initiatives are designed to minimize the impact of the seniors and clients served by funding from the Lieutenant Governor's Office on Aging. However, it should be noted that the Area Agencies on Aging are small and have considerable breadth of responsibility for serving South Carolina's growing senior population. In the event that this reduction is required, the Lieutenant Governor's Office on Aging will strive to assist them in maintaining current operating efficiency with the least impact as possible.

Summary of Cost Savings Initiatives for FY 2007-08:	FUNDING				FTEs			
	General	Federal	Other	Total	State	Fed.	Other	Total
Initiative Title: Executive Operations	\$4,856	0	0	\$4,856	0	0	0	0.00
Activity Number & Name: Executive Operations of the Lt. Governor's Office (80)								
Initiative Title: Administration	\$48,956	0	0	\$ 48,956	0	0	0	0.00
Activity Number & Name: Administration (83)								
Initiative Title: Community Based Supportive Services	\$40,470	0	0	\$ 40,470	0	0	0	0.00
Activity Number & Name: Regional Level Activity Flow Thru Funding Title III Part B Community Based Supportive Services (88)								
TOTAL OF ALL INITIATIVES	\$94,282	\$ 0	\$ 0	\$94,282	0.00	0.00	0.00	0.00

FY 2007-08 COST SAVINGS & ACTIVITY PRIORITY ADDENDUM

II. PRIORITY ASSESSMENT OF AGENCY ACTIVITIES

- A. Agency Section/Code/Name: 57/E04/Lieutenant Governor's Office
- B. Agency Activity Number and Name: State Level Activity - Emergency Rental Assistance Program (1534)
- C. Explanation of Lowest Priority Status: This activity is assigned the lowest priority because it is an activity funded by the State Housing and Development Authority and is not mandated by state or federal law. While the activity is important to help low income (less than the federal poverty level) seniors from being evicted and becoming homeless, it receives the lowest priority due to no statutory mandate and the fact that funding is one time and limited to two years.
- D. Estimate of Savings:

Estimate of Savings:	General	Federal	Supplemental	Capital Reserve	Other	Total
Personnel:						
(a) Number of FTEs	.5	0	0	0	0	.5
(b) Personal Service	\$19,531	0	0	0	0	\$19,531
(c) Employer Contributions	\$5,469	0	0	0	0	\$5,469
Program/Case Services	\$500,000	0	0	0	0	\$500,000
Pass-Through Funds	0	0	0	0	0	\$ 0
Other Operating Expenses	0	0	0	0	0	\$ 0
Total	\$525,000	\$ 0	\$ 0	\$ 0	\$ 0	\$525,000

- E. Activity Impact (*Describe the impact on the activity affected including the impact on customers and clients.*): The impact of elimination of this program is that a major source of funding for poor seniors in danger of eviction and becoming homeless would be eliminated. Based upon the first year's operation 227 persons would have been evicted from rental units. If all annual funds were utilized; approximately 1,100 persons could be evicted in future years due to elimination of the program.

FY 2007-08 COST SAVINGS & ACTIVITY PRIORITY ADDENDUM

II. PRIORITY ASSESSMENT OF AGENCY ACTIVITIES

- A. Agency Section/Code/Name: 57/E04/Lieutenant Governor's Office
- B. Agency Activity Number and Name: State Level Activity – Elder Care Trust Fund (112)
- C. Explanation of Lowest Priority Status: This activity is assigned the second lowest priority status because of the small amount of funds involved and because of the relatively low importance of the activity compared to the many state and federally mandated activities that the Lieutenant Governor's Office on Aging administers. \$9,100 in funds are used for publicity and marketing of the state income tax check off during the year.
- D. Estimate of Savings:

Estimate of Savings:	General	Federal	Supplemental	Capital Reserve	Other	Total
Personnel:						
(a) Number of FTEs	0	0	0	0	0	0.00
(b) Personal Service	0		0	0	0	\$ 0
(c) Employer Contributions	0		0	0	0	\$ 0
Program/Case Services	0	0	0	0	0	\$ 0
Pass-Through Funds	0	0	0	0	0	\$ 0
Other Operating Expenses	\$9,100	0	0	0	0	\$9,100
Total	\$9,100	\$ 0	\$ 0	\$ 0	\$ 0	\$9,100

- E. Activity Impact (*Describe the impact on the activity affected including the impact on customers and clients.*): The impact of elimination of this activity will be that publicity and marketing activities for the state income tax check off will be eliminated or drastically reduced. Approximately \$50,000 are currently expended through an RFP process to fund innovative approaches to address local needs of seniors in ways that may be replicated in other communities.

FY 2007-08 COST SAVINGS & ACTIVITY PRIORITY ADDENDUM

II. PRIORITY ASSESSMENT OF AGENCY ACTIVITIES

- A. Agency Section/Code/Name: 57/E04/Lieutenant Governor's Office
- B. Agency Activity Number and Name: State Level Resource Coordination Center (110)
- C. Explanation of Lowest Priority Status: This activity is ranked third lowest because of its relatively low ranking in relation to the other activities administered by the Lieutenant Governor's Office on Aging. \$5,000 is allocated for paying for an annual report to the General Assembly and for a reporting system. While the activity is important, the Lieutenant Governor's Office on Aging will most likely have to find a means to accomplish this activity if it is eliminated.
- D. Estimate of Savings:

Estimate of Savings:	General	Federal	Supplemental	Capital Reserve	Other	Total
Personnel:						
(a) Number of FTEs	0	0	0	0	0	0.00
(b) Personal Service	0		0	0	0	\$ 0
(c) Employer Contributions	0		0	0	0	\$ 0
Program/Case Services	0	0	0	0	0	\$ 0
Pass-Through Funds	0	0	0	0	0	\$ 0
Other Operating Expenses	\$5,000	0	0	0	0	\$5,000
Total	\$5,000	\$ 0	\$ 0	\$ 0	\$ 0	\$5,000

- E. Activity Impact (*Describe the impact on the activity affected including the impact on customers and clients.*): The impact of elimination of this activity would be that an annual report would not be prepared by the Alzheimer's Resource Coordination Center, and statistical collections would be hindered. As the first Alzheimer's Resource Coordination Center created in the nation, the Lieutenant Governor's Office on Aging would either have to find additional funding to provide the activities or eliminate it.

FY 2007-08 COST SAVINGS & ACTIVITY PRIORITY ADDENDUM

II. PRIORITY ASSESSMENT OF AGENCY ACTIVITIES

- A. Agency Section/Code/Name: 57/E04/Lieutenant Governor's Office
- B. Agency Activity Number and Name: Regional Level Activity – Local Provider Salary Supplement (109)
- C. Explanation of Lowest Priority Status: This activity is ranked as fourth lowest because the State of South Carolina provides a cost of living allowance to non-State employees. This benefit was eliminated for local contract providers of Older American Act funded services during FY 2005-2006. The Lieutenant Governor's Office on Aging believes that this is inappropriate in view of the action last year for local contract providers.

D. Estimate of Savings:

Estimate of Savings:	General	Federal	Supplemental	Capital Reserve	Other	Total
Personnel:						
(a) Number of FTEs	0	0	0	0	0	0.00
(b) Personal Service	0		0	0	0	\$ 0
(c) Employer Contributions	0		0	0	0	\$ 0
Program/Case Services	0	0	0	0	0	\$ 0
Pass-Through Funds	\$87,550	0	0	0	0	\$87,550
Other Operating Expenses	0	0	0	0	0	\$ 0
Total	\$87,550	\$ 0	\$ 0	\$ 0	\$ 0	\$87,550

E. Activity Impact (*Describe the impact on the activity affected including the impact on customers and clients.*): The impact of this initiative will be that the ten Area Agencies on Aging will no longer receive cost of living allowances as State employees now do. The impact will be \$87,550 statewide or \$8,750 by Area Agency on Aging. This will result in these offices having to find additional funding for their employees or reducing limited staff and thus reducing their ability to provide planning and administration activities at the regional level. Depending on the Area Agency's ability to replace the funding, services to clients may be reduced.

FY 2007-08 COST SAVINGS & ACTIVITY PRIORITY ADDENDUM

II. PRIORITY ASSESSMENT OF AGENCY ACTIVITIES

- A. Agency Section/Code/Name: 57/E04/Lieutenant Governor's Office
- B. Agency Activity Number and Name: State Level Activity – Advanced Directives (107)
- C. Explanation of Lowest Priority Status: This activity was ranked as the fifth lowest priority because of relatively small amount of funding involved and the relatively small number of persons impacted. This activity is required by the SC Code of Law, Section 44-77-10 which mandates the Lieutenant Governor's Office on Aging to provide management and training for the living will witness program. The program provides statewide information and training on advanced care planning, advanced directives and end-of-life care. If this activity is eliminated, the Lieutenant Governor's Office on Aging will need find a means to continue providing the activities because of the state mandate.
- D. Estimate of Savings:

Estimate of Savings:	General	Federal	Supplemental	Capital Reserve	Other	Total
Personnel:						
(a) Number of FTEs	.50	0	0	0	0	0.50
(b) Personal Service	\$15,625	0	0	0	0	\$15,625
(c) Employer Contributions	\$4,375	0	0	0	0	\$4,375
Program/Case Services	0	0	0	0	0	\$ 0
Pass-Through Funds	0	0	0	0	0	\$ 0
Other Operating Expenses	0	0	0	0	0	\$ 0
Total	\$20,000	\$ 0	\$ 0	\$ 0	\$ 0	\$20,000

- E. Activity Impact (*Describe the impact on the activity affected including the impact on customers and clients.*): The impact of eliminating this activity would result in the Lieutenant Governor's Office on Aging no longer statewide information and training on advance care

planning, advanced directives and end-of-life care. During 2005 73 persons were trained as volunteers Living Will Witness or advanced care planning. Six workshops were conducted on advance directives/advanced care planning with 228 persons attending. 72 living wills were witnessed in long term care facilities.

F.

Summary of Priority Assessment of Activities	General	Federal	Supplemental	Capital Reserve	Other	Total	FTEs
Activity Number & Name: State Level Activity - Emergency Rental Assistance Program (1534)	\$25,000	0	0	0	\$500,000	\$525,000	.5
Activity Number & Name: State Level Activity – Elder Care Trust Fund (112)	0	0	0	0	\$9,100	\$9,100	0
Activity Number & Name: State Level Resource Coordination Center (110)	\$5,000	0	0	0	0	\$5,000	0
Activity Number & Name: Regional Level Activity – Local Provider Salary Supplement (109)	\$87,550	0	0	0	0	\$87,550	0
Activity Number & Name: State Level Activity – Advanced Directives (107)	\$20,000	0	0	0	0	\$20,000	.5
TOTAL OF LOWEST PRIORITIES	\$137,550	\$ 0	\$ 0	\$ 0	\$509,100	\$646,650	1.00